

February 13, 2007

**Los Angeles County
Board of Supervisors**

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The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

NCQA ACCREDITATION PROJECT CONSULTING SERVICES
(All Districts) (3 Votes)

IT IS RECOMMENDED THAT YOUR BOARD:

Delegate authority to the Director of Health Services or his designee (Director) to negotiate and execute an agreement with Syntro Limited to provide consultation, training, and reports to prepare Community Health Plan (CHP) for accreditation as a managed care organization by the National Committee for Quality Assurance (NCQA), and ensure compliance with NCQA standards required by L.A. Care Health Plan (L.A. Care), effective upon date of Board approval through December 31, 2009, at a maximum County obligation of \$421,000, contingent upon prior review and approval by County Counsel and Chief Administrative Office.

PURPOSE/JUSTIFICATION OF THE RECOMMENDED ACTION:

In approving this action, the Board is authorizing the Director to sign an agreement with Syntro Limited (Syntro) to continue the provision of services currently provided under a purchase order to assist CHP with achieving NCQA accreditation as a managed care organization for CHP's Healthy Families and In-Home Supportive Services Workers Health Benefits Program product lines, and complying with NCQA standards required by L.A. Care's Medi-Cal Managed Care Program.

Syntro's professional experience, expertise, and knowledge of CHP's administrative, organizational, and accreditation preparatory processes are necessary to thoroughly prepare CHP for the NCQA accreditation survey.

IMPLEMENTATION OF COUNTY'S STRATEGIC PLAN GOALS.

This action meets the County's Strategic Plan Goals of Service Excellence and Organizational Excellence by developing and maintaining best practices for clinical and service improvements through NCQA Accreditation as a managed care organization.

FISCAL IMPACT/FINANCING:

The total maximum obligation under the proposed agreement with Syntro shall not exceed \$421,000 during the Agreement term. The estimated cost will be 100% offset by CHP capitation revenues. Sufficient appropriation is included in the

Office of Managed Care's Fiscal Year (FY) 2006-07 Final Budget. Continued funding will be requested in FYs 2007-08 and 2008-09.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

Overview of NCQA: NCQA is a private, not-for-profit organization formed in 1990. Its mission is to improve the quality of health care by evaluating and reporting on managed care organizations that meet NCQA standards. These published standards are updated annually, and reflect the industry's "best practices" in the areas of patient safety, confidentiality, consumer protection, access, service and continuous improvement. NCQA further evaluates these organizations' performance under a nationally-recognized set of standardized performance measures based on actual services rendered (Health Plan Employer Data and Information Set or "HEDIS") and consumer survey results (Consumer Assessment of Healthcare Providers and Systems or "CAHPS").

NCQA and Public Policy: Currently, 33 states either require or recognize NCQA accreditation, including submission of HEDIS and CAHPS performance data, for meeting health plan licensing requirements. In California, the State Department of Health Services and Managed Risk Medical Insurance Board require submission of this performance data from health plans contracted for the Medi-Cal Managed Care Program and Healthy Families Program respectively. Moreover, such information is used by these regulatory agencies to make funding, contracting, and other related decisions critical to a health plan's continued participation in these programs.

The Pursuit of NCQA Accreditation: NCQA certifies health plans as a managed care organization for only specific product lines funded through a direct agreement with the primary funding source. As a result, L.A. Care will be seeking NCQA accreditation of its Medi-Cal Managed Care Program in 2008, and is delegating certain NCQA functions to CHP and other subcontracted providers (Blue Cross, Care 1st, and Kaiser) to support L.A. Care accreditation efforts. Additionally, CHP plans to seek NCQA accreditation of its Healthy Families and In-Home Supportive Services Workers Health Benefits Program product lines in 2009.

Scope of Work: Syntro will evaluate CHP's readiness for an NCQA accreditation survey and provide the necessary technical assistance, training, and reports to assist CHP with meeting the following NCQA accreditation standards for a managed care organization:

- **Quality Management and Improvement:** Standards cover program structure, program operations, health services contracting, availability of practitioners, accessibility of services, member satisfaction, disease management, clinical practice guidelines, complex case management, continuity and coordination of medical care, continuity and coordination between medical and behavioral health care, clinical quality improvements, service quality improvements, standards for medical record documentation, and delegation of quality improvement.
- **Utilization Management (UM):** Standards cover utilization management structure, clinical criteria for UM decisions, communication services, appropriate professionals, timeliness of UM decisions, clinical information, denial notices, policies for appeals, appropriate handling of appeals, evaluation of new technology, satisfaction with the UM process, emergency services, procedures for pharmaceutical management, triage and referral for behavioral health care, and delegation of UM.
- **Credentialing and Recredentialing:** Standards cover credentialing policies, credentialing committees, initial credentialing verification, application and attestation, initial sanction information, initial

credentialing site visits, recredentialing verification, recredentialing cycle length, ongoing monitoring, notification to authorities and practitioner appeal rights, assessment of organizational providers, and delegation of credentialing and recredentialing.

- Members' Rights and Responsibilities: Standards cover statement of members' rights and responsibilities, distribution of rights statement to members and practitioners, policies for complaints and appeals, subscriber information, privacy and confidentiality, marketing information, and delegation of rights and responsibilities.
- Member Connection Services: Standards cover the growing emphasis to improve member access to health care information, facilitating early identification and outreach to members at risk for illness and providing the necessary tools to improve their health.

Syntro shall also assist CHP with meeting NCQA Standards that may be amended or added, complying with L.A. Care's delegated functions, and correcting any State audit exceptions during the term of the Agreement.

Attachment A provides additional information.

CONTRACTING PROCESS:


On January 12, 2006, CHP worked with the Internal Services Department to issue a Request for Quotation to select a qualified consultant to complete an NCQA readiness assessment and gap analysis as a result of L.A. Care's announcement of its plan to obtain NCQA accreditation and subsequently requiring CHP and other subcontracted providers to comply with certain NCQA standards. Syntro was the selected vendor, and is completing the preliminary work under a purchase order until the Board approves the Department of Health Service's request to offer a contract under delegated authority.

IMPACT ON CURRENT SERVICES (OR PROJECTS):

None.

When approved, this Department requires three signed copies of the Board's action.

Respectfully submitted,


Bruce A. Chernof, M.D.
Director and Chief Medical Officer

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Bd Ltr_Syntrov2.wpd

Attachment (1)

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors

SUMMARY OF AGREEMENT

1. TYPE OF SERVICE:

Syntro Limited shall provide consultation, training, and reports to prepare Community Health Plan for accreditation as a managed care organization by the National Committee for Quality Assurance (NCQA), and ensure compliance with NCQA standards required by L.A. Care Health Plan.

2. AGENCY ADDRESS AND CONTACT PERSON:

Syntro Limited
3267 Bee Caves Road, Suite 107-83
Austin, Texas 78746
Phone: (512) 306-1890
Fax: (512) 306-1873
Contact Person: Kathryn L. Amy, President

3. TERM:

Effective upon the date of Board approval through December 31, 2009.

4. FINANCIAL INFORMATION:

The total maximum obligation under the proposed agreement with Syntro shall not exceed \$421,000 during the Agreement term. The estimated cost will be 100% offset by CHP capitation revenues. Sufficient appropriation is included in the Office of Managed Care's Fiscal Year (FY) 2006-07 Final Budget. Continued funding will be requested in FYs 2007-08 and 2008-09.

5. GEOGRAPHIC AREAS SERVED:

Countywide

6. ACCOUNTABILITY FOR PROGRAM MONITORING AND EVALUATION:

Teri L. Lauenstein, Director

7. APPROVALS:

Office of Managed Care: Teri L. Lauenstein, Director

Contracts and Grants Division: Cara O'Neill, Chief

County Counsel: Edward Yen, Deputy County Counsel